

5 February 1965

DCI BRIEFING
FOR THE HOUSE APPROPRIATIONS COMMITTEE

BOLIVIA

- I. The prospect of national elections, scheduled by the military junta for 30 May, has created a period of constant maneuvering and plotting among the country's political leaders and parties.
 - A. As yet there are no formal coalitions, but major forces are polarizing on the right and left, with former President Hernan Siles clinging to a strategic position in the center.
 - B. Junta President Rene Barrientos Ortuno will probably be a presidential candidate but refuses to resign his position on the junta to conduct his election campaign. His supporters have launched the Popular Christian Movement as a political vehicle to promote his election.
 1. There are indications that Hernan Siles and his supporters in the National Revolutionary Movement will back Barrientos as the candidate of the political center.

- C. Extremist elements of the right and left are moving toward positions of active opposition to Barrientos. Their opposition could take the form of violence and a tactical alliance of the left and right cannot be discounted.
- II. In the interim the junta faces problems which will severely tax its ability to maintain stability.
- A. The 35,000 armed tin miners are dominated either by outright Communists or by extreme leftist ex-Vice President Juan Lechin. Undoubtedly they will be used by the left for political purposes. Moreover, a round of wage demands particularly on the part of miners, factory workers, and teachers is expected during February. We foresee the possibility of strikes, demonstrations, and violence if the junta is unable to meet their demands. Although he believes himself popular in the mining regions, Barrientos probably has little better prospect of pacifying the miners than did President Paz Estenssoro.

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- B. Communists and other extreme leftists have taken over some important labor and peasant organizations formerly controlled by Paz. Barrientos is also trying to consolidate his labor and peasant support and would like to split off union members from their national leaders. Sharp competition in the labor field will probably increase political hostilities.
- C. Lawlessness continues to plague the country, and violent armed clashes are likely to erupt as political tensions increase during the pre-electoral period.
- D. The junta's ability to govern effectively is hampered by the lack of qualified personnel experienced in the problems and stresses of Bolivian politics. There is the possibility that dissension will develop within the junta over policy and the military role in politics. Some senior military officers are reportedly opposed to Barrientos' political plans.

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